

REFERENCE TITLE: utility assistance fund; administration

State of Arizona  
House of Representatives  
Forty-seventh Legislature  
Second Regular Session  
2006

## **HB 2810**

Introduced by

Representatives Mason, Aguirre A, Alvarez, Chase, Hershberger, Landrum  
Taylor, Nelson, O'Halleran, Sinema, Senators Aguirre, Bee, Rios:  
Representatives Barnes, Boone, Brown, Cajero Bedford, Jones, Lujan,  
McComish, McLain, Meza, Murphy, Paton, Pearce, Pierce, Quelland, Reagan,  
Smith, Senators Bennett, Blendu, Flake, Verschoor

AN ACT

AMENDING SECTION 46-731, ARIZONA REVISED STATUTES; RELATING TO UTILITY REPAIR  
AND DEPOSIT ASSISTANCE.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:  
2 Section 1. Section 46-731, Arizona Revised Statutes, is amended to  
3 read:

4 **46-731. Utility assistance fund: purposes: administration:**  
5 **nonreversion: reimbursement for administrative costs:**  
6 **definitions**

7 A utility assistance fund is established to provide eligible  
8 recipients with assistance in making utility deposits and owner repairs or  
9 replacement of utility related appliances or systems. The department **OF**  
10 **REVENUE** shall administer the fund. Eligible recipients are individuals who  
11 are in crisis situations requiring utility repair, deposit assistance or  
12 replacement of utility appliances or systems, **OR** who have a household income  
13 at or below one hundred **twenty-five FIFTY** per cent of the poverty level. **or**  
14 **who are sixty years of age or older or handicapped and who have a household**  
15 **income at or below one hundred fifty per cent of the poverty level.** The need  
16 for replacement of utility related appliances or systems shall be related to  
17 a documented crisis situation. Replacement of utility related appliances is  
18 limited to situations in which repair costs exceed replacement cost or an  
19 appliance is found to be inoperable with repairs. For the purposes of this  
20 subsection, the poverty level is as determined by the United States office of  
21 management and budget and reported in the federal register.

22 B. A deposit, including any interest on the deposit, that is made by a  
23 subscriber with a utility to secure payment or any amount that is paid in  
24 advance for utility services to be furnished, less any lawful deductions or  
25 any amount held by a utility that the utility has been ordered to refund by a  
26 court or administrative agency, and that remains unclaimed by the subscriber  
27 for more than two years after the termination of the services for which the  
28 deposit or advance payment was made, or for more than two years after the  
29 refund becomes payable and distribution occurs pursuant to the final order of  
30 the court or administrative agency that has jurisdiction to establish the  
31 terms and conditions of the refund, is presumed abandoned and shall be  
32 transmitted annually to the department of revenue for deposit in the utility  
33 assistance fund. Any utility that delivers these refund payments to the  
34 department of revenue in good faith is relieved of all liability to the  
35 extent of any refund payment delivered for any claim then existing or that  
36 thereafter may arise or be made in respect to the property. This subsection  
37 does not apply to any refund subject to section 44-302, subsection A,  
38 paragraph 11 or to any refund that the court or agency order provides will be  
39 held by a person other than the utility.

40 C. The director shall provide the use of the utility assistance fund  
41 monies to designated community action or other agencies currently providing  
42 energy assistance that **in the judgment of the director** offer assistance  
43 services to individuals who are eligible under subsection A of this section  
44 to receive assistance under this article. The utility assistance fund monies  
45 shall be coordinated with all other state and federal energy assistance

1 programs. An amount of not more than ten per cent of the fund monies may be  
2 designated for sewer and water system repairs. The director shall not  
3 disburse an amount of more than thirty-five per cent of all monies to the  
4 agencies during any quarter.

5 D. The DESIGNATED agencies ~~selected by the director~~ shall disburse  
6 monies for payment of utility deposits by checks payable to the utility.  
7 These payments may be made in a batch process or transmitted electronically.  
8 The DESIGNATED agencies ~~selected by the director~~ shall disburse monies for  
9 the payment of owner utility repairs and replacements by checks payable to  
10 the repairer or replacement entity on behalf of the client on satisfactory  
11 completion of the work. The client shall indicate in writing that the  
12 repairs and replacements have been completed before payment is made.

13 E. The department of revenue shall annually report to the ~~department~~  
14 ~~of economic security~~ GOVERNOR, THE SPEAKER OF THE HOUSE OF REPRESENTATIVES  
15 AND THE PRESIDENT OF THE SENATE the amounts the utility assistance fund  
16 receives from each utility that requires a fee to be deposited in order to  
17 receive its services. The department of economic security shall report these  
18 amounts to the agencies.

19 F. Refunds by the utilities for deposits made by the utility  
20 assistance fund shall be transmitted to the department of revenue for deposit  
21 in the fund. These refunds are subject to the established tariffs, rules and  
22 procedures of the utilities.

23 G. The utilities, ~~the department~~ and the designated community action  
24 or other agencies currently providing energy assistance shall inform the  
25 public of the utility assistance fund.

26 H. Monies in the utility assistance fund do not revert to the state  
27 general fund.

28 I. An amount of not more than two per cent of the utility assistance  
29 fund monies, not to exceed twenty thousand dollars in any fiscal year, may be  
30 used by the department OF REVENUE and an amount of not more than eight per  
31 cent of the fund monies, not to exceed eighty thousand dollars in any fiscal  
32 year, may be used by the agencies to reimburse them for their administrative  
33 costs in providing services under this article.

34 J. Monies that are deposited in the utility assistance fund pursuant  
35 to subsection B of this section shall be used only for the purposes of this  
36 section and shall not be transferred to another fund for any other purpose.

37 K. For the purposes of this section:  
38 1. "Crisis situations" includes a substantial loss or reduction of  
39 income, unexpected emergency expenses, a health related emergency or no  
40 income in the household. The director may adopt rules that set forth other  
41 crisis situations.

42 2. "DIRECTOR" MEANS THE DIRECTOR OF THE DEPARTMENT OF REVENUE.  
43 2. 3. "Utility" means a person that, for public use, transmits,  
44 sells, delivers or furnishes electricity, water, gas, sewer or  
45 telecommunications services.